# **Economic Impact Statement**

Montgomery County, Maryland

# Bill 11-25 Child Care Coordination – Amendments

#### **SUMMARY**

The Office of Legislative Oversight (OLO) anticipates that Bill 11-25 would have an insignificant impact on economic conditions in the County in terms of the Council's priority indicators.

#### **BACKGROUND AND PURPOSE OF BILL 11-25**

The purpose of Bill 11-25 is to update County laws related to early childhood care and education. If enacted, Bill 11-25 would:

- Eliminate the Child Care and Early Education Officer position. The County Council created the Child Care and Early Education Officer (CCEEO) position within the Department of Health and Human Services (DHHS) with the passage of Bill 13-15 in 2015. The officer was responsible for leading efforts "to expand and enhance childcare services in the County." According to the County Executive, this position has not been filled since 2021. Further, the Office of Management and Budget notes the position was reallocated to another program within DHHS several years ago.4
- Eliminate the Early Childhood Coordinating Council. The County Council also created the Early Childhood Coordinating Council (ECCC) with the passage of Bill 13-15 in 2015. The ECCC was responsible for studying and developing policy recommendations on the availability and quality of childcare in the County.<sup>5</sup>

In 2022, the County Council passed Bill 42-21, which created the Early Care and Education Coordination Entity. This non-profit entity (currently the Montgomery County Children's Opportunity Alliance <sup>6</sup>) is responsible for developing recommendations to increase "availability of and access to high quality early care and education programs with particular attention to underrepresented and special populations." While the Council was considering Bill 42-21, there were concerns that the duties of the Early Care and Education Coordination Entity overlapped with those of the ECCC. Nonetheless, the ECCC remained intact, and the group continued to meet following the passage of Bill 42-21. The Office of Management and Budget notes the ECCC has not convened in several years. Meeting minutes for the ECCC were last posted in May 2023. <sup>10</sup>

<sup>&</sup>lt;sup>1</sup> <u>Introduction Staff Report for Bill 11-25</u>, Montgomery Council, Introduced April 8, 2025.

<sup>&</sup>lt;sup>2</sup> Memorandum from the County Executive to the Council President, Introduction Staff Report for Bill 11-25, PDF pg. 11.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Fiscal Impact Statement, Office of Management and Budget, Introduction Staff Report for Bill 11-25, PDF pg. 22.

<sup>&</sup>lt;sup>5</sup> Action Staff Report for Bill 13-15, Montgomery County Council, Action May 12, 2015, PDF pg. 23.

<sup>&</sup>lt;sup>6</sup> Montgomery County Children's Opportunity Alliance.

<sup>&</sup>lt;sup>7</sup> Action Staff Report for Bill 42-21, Montgomery County Council, Action February 14, 2022, PDF pg. 3.

<sup>8</sup> Ibid, PDF pg. 7 and 81.

<sup>&</sup>lt;sup>9</sup> Fiscal Impact Statement, Office of Management and Budget, Introduction Staff Report for Bill 11-25, PDF pg. 22.

<sup>&</sup>lt;sup>10</sup> Early Childhood Coordinating Council: Meeting Minutes, Department of Health and Human Services.

The County Executive argues these changes would reduce redundancies within the County's Early Care and Education system, "creating a more efficient, coordinated system."

The Council introduced Bill 11-25, Child Care Coordination – Amendments, on April 8, 2025.

# INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill11-25 on residents and private organizations in relation to Council's priority economic indicators. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.<sup>11</sup>

OLO sees no direct connection between eliminating the CCEEO position or the ECCC and the indicators prioritized by the Council and therefore concludes that the Bill would have insignificant impacts on private organizations, residents, and overall economic conditions in the County.

#### **VARIABLES**

Not applicable

#### **IMPACTS**

WORKFORCE • TAXATION POLICY • PROPERTY VALUES • INCOMES • OPERATING COSTS • PRIVATE SECTOR CAPITAL INVESTMENT • ECONOMIC DEVELOPMENT • COMPETITIVENESS

Not applicable

# **DISCUSSION ITEMS**

Not applicable

# **CAVEATS**

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

### CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.

<sup>&</sup>lt;sup>11</sup> "Sec. 2-81B, Economic Impact Statements," Montgomery County Code.